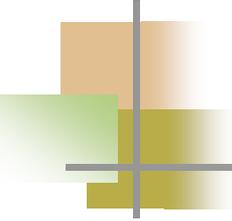


6 Rules for Successful Shared Service Partnerships

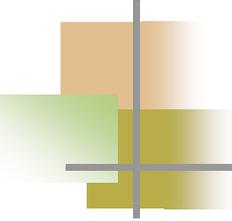
Division of Local Government Services
New Jersey Department of Community Affairs



Rule 1:

Know your own mind

- Not always entirely clear what each partner around the table wants.
 - Figure it out in advance
- Politically and managerially, each partner needs to know what it wants to achieve – and why
 - Can you really make the commitment?



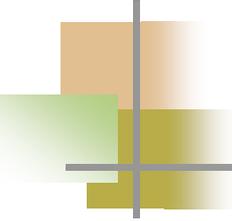
Rule 2:

Know your partner's mind, too!

- Work with who you know
 - Starts with confidence
 - Forge lasting partnerships based on a shared set of ambitions

OR

- Learn about your partner and their culture
 - Develop a relationship – let it evolve



Rule 3:

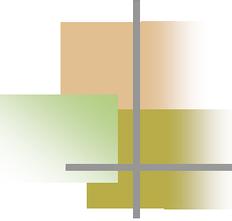
Take the leap, but look first

- Courage to commit to a partnership is essential
- Find a great partner by:
 - Thorough analysis
 - Sound financial plan
 - Management commitment
- Leadership with a focus on delivery
 - Someone has to be in charge –focus on outcomes

Rule 4:

Agree in advance

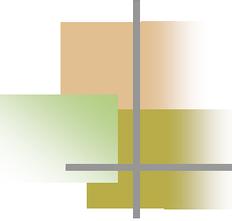
- Don't put off hard stuff until the last minute
 - Can cause partnerships to fall apart just before or after the agreement is signed
 - Know your concerns; and address them up front
- Know what you are getting into
 - No surprises on either side
 - Business case and agreement must identify costs and benefits
- Have an exit strategy
 - Create dispute resolution process
 - Have a break-up plan – just in case



Rule 5:

Take opposition seriously

- Shared Services can result in substantial change
 - Identify potential obstacles and be prepared to mitigate them
- It's more than job's changing – it's people too
 - People see careers at risk – on both sides
 - Commit to addressing the real worries faced by the people affected
- Shared services are not a “soft” option



Rule 6:

Invest in the relationship

- Doesn't end when the agreement is signed
- Contract management is critical
 - Plan to meet and discuss it regularly
 - Then do it
- Good governance depends on resources, capacity and a positive attitude
- Prepare the parties for a culture that drives improvement and innovation